IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO. 152 OF 1993.

The Commissioner of Income-tax,
Nasik. ... Applicant.

V/s.

Shri Vasant C. Kshirsagar, Nasik ... Respondent.

Shri A.N. Kotangale, Senior Counsel with Shri D.A. Dubey i/b S. Bhattacharya for the applicant.

P.Y.Vaidya for the respondent.

CORAM : V.C.DAGA AND A.S.AGUIAR, JJ.

DATED : 18.7.2005

P.C. :

. By this reference under section 256 of the Income-tax Act, 1961, the Income Tax Appellate Tribunal has referred the following questions of law for the opinion of this Court:

1. Whether, on the facts and in the circumstances of the case, the Tribunal was correct to treat the incentive bonus as a salary and to allow deduction @ 25% from it for incurring expenditure to earn the same in spite of standard deduction u/s 16(1) of the I.T. Act, 1961?

. While dealing with identical question refered to herein, the Division Bench of this Court

in the case of **C.I.T. vs.Gopal Krishna Suri (2001) 248 ITR 819** held that the incentive bonus is exclusively part of the salary income as such employee cannot claim any deduction other than standard deduction under sectioin 16.

. In this view of the matter, the above question is answered in negative i.e. in favour of Revenue and against the assessee.

. Reference stands disposed of with no order as to costs.

(A.S.AGUIAR, J.) **(V.C.DAGA, J.)**